

NC Department of Commerce

Energy ARRA Update

December 15, 2009

Select Committees on Economic Recovery

John E.P. Morrison
Assistant Secretary for Energy
NC Department of Commerce

NORTH CAROLINA
THE STATE OF MINDS

Federal ARRA Money for Energy

Managed within the Energy Division

1. Weatherization	\$130 million
2. State Energy Program	\$76 million
3. Energy Efficiency and Conservation Block Grant	\$21 million
4. Appliance Rebate	\$8 million
5. Energy Assurance	<u>\$1 million</u>
	\$236 million

Other Energy Related ARRA

- Energy Efficiency and Conservation Block Grant - \$37 million to larger Cities and Counties
- Energy Assurance - \$1 million to NC Utilities Commission
- Green Workforce Development – various amounts to Workforce Development
- Smart Grid – various amounts to Duke Energy and Progress Energy
- Solar Installer training – NCSU Solar Center
- Energy Storage - \$50 million to Cellgard

Energy Division ARRA Overview

- 5 Funding Areas - 3 of them completely new
- 19 Programs - \$236 million
 - 17 programs new
- 8 active - \$87 million
- 8 RFP's in various stages of development
- 3 on hold pending resolution of amended state energy programs (SEP) plan

1. Weatherization \$130 Million

- 50% of the money to Community Action Agencies contracted November 15 (28 agencies & \$63 million)
- Agencies have been operating at accelerated pace since June using 2009/2010 regular annual weatherization funds.
- Regular funds are nearing depletion and the agencies are now turning to ARRA funds
- Training pilots at community colleges completed, classes scheduled for January.

2. State Energy Program \$76 million

- 13 Programs – 12 of them new
- 5 programs – RFP's posted and in various stages of review application and making awards - \$10.7 million
- 7 programs - RFP's in various stage of development
- 3 programs - On hold pending resolution of amended plan

SEP Active Programs

1. NC Green Business Fund
 - \$1.2 Million awarded on 2009 solicitation
 - \$8 million solicitation out shortly
2. Technical Assistance - \$1.95 million
 - 37 engineering firms awarded
 - 200+ requests for assistance in less than 3 weeks

SEP Active Programs

3. Main Streets - \$2.5 million
 - 21 applications in 1st round
 - 2nd round in 2010 for those needing more time
4. Commercial Renewable Energy - \$3 million
 - 25% of project cost up to \$100,000
 - External reviewers are at work on 90 proposals
5. Non-Profit Energy Management - \$2 million
 - Applications to administer program received
 - Internal review for minimum requirements

SEP Programs in Development

1. Workforce Development - \$6.85 million
2. Building Code Training - \$1 million
3. Residential Renewable Energy - \$3.5 million
4. Residential Eff. Existing Homes - \$3.5 million
5. Residential Eff. New Homes - \$3 million

SEP Programs On Hold

1. Government Buildings Eff. - \$8 million
2. Alternative Fuels - \$3.5 million
3. Energy Loan Fund - \$18 million

SEP Amended Plan

- Summer 2009 DOE approved NC's SEP plan
- At the end of the 2009 session the Legislature earmarked \$21.3 million of the SEP
 - \$12 million for Repair and Renovation Fund
 - \$4 million for Biofuels Center
 - \$300,000 for UNC wind study
- The State Energy Office submitted the amended plan (Plan "B").

SEP Amended Plan

- In late November DOE did not approve the changes.
 - \$12 M. R&R – Supplanting is prohibited in the Recovery Act of 2009
 - \$ 4 M. Biofuels – Portions of their plan did not comply with SEP regulations
 - \$300,000 UNC wind – Outside the scope of the SEP; as written it was interpreted as research.

SEP Amended Plan

- Plan "C"
 - Use the \$8 M. in Government Buildings to go down the R&R priority list and do those projects which meet SEP guidelines
 - Ask biofuels center if they would like resubmit those portions of their plan which comply with SEP guidelines
 - Ask UNC if they would like to resubmit their plan as a "feasibility" study for Duke Energy's 3 turbines in Pamlico Sound.

3. Energy Efficiency and Conservation Block Grant - \$21 million

- 2 Program RFP's posted - \$13.4 million
- 2 Programs still in development

EECBG Active Programs

- Local Government Efficiency \$7.2 million
- K-12 and Community College Eff. - \$6.2 million
- 90 counties and 526 municipalities are eligible

EECBG Entitlement Cities and Counties

Asheville	\$804,700	Raleigh	\$3,820,400
Burlington	\$223,900	Rocky Mount	\$ 572,100
Cary	\$1,166,800	Wilmington	\$1,039,900
Chapel Hill	\$554,900	Wilson	\$ 214,900
Charlotte	\$6,780,100	Winston-Salem	\$2,262,000
Concord	\$638,800	<i>Buncombe</i>	<i>\$624,800</i>
Durham	\$2,173,600	<i>Cumberland</i>	<i>\$590,700</i>
Fayetteville	\$1,652,900	<i>Davidson</i>	<i>\$631,100</i>
Gastonia	\$705,700	<i>Gaston</i>	<i>\$525,600</i>
Goldsboro	\$183,600	<i>Iredell</i>	<i>\$645,100</i>
Greensboro	\$2,554,900	<i>Johnston</i>	<i>\$636,200</i>
Greenville	\$777,600	<i>Mecklenburg</i>	<i>\$649,500</i>
Hickory	\$209,300	<i>Randolph</i>	<i>\$578,200</i>
High Point	\$998,600	<i>Union</i>	<i>\$751,800</i>
Huntersville	\$175,100	<i>Wake</i>	<i>\$3,030,300</i>
Jacksonville	\$781,600	<i>Cherokee Indians</i>	<i>\$ 253,100</i>
Kannapolis	\$170,300	State Energy Office	\$20,925,300

EECBG Programs in Development

- Transportation - \$2.5 million
- Greenhouse Gas/Landfill Methane \$2.5 million
- Need to avoid National Environmental Policy Act (NEPA)

4. Appliance Rebate - \$8 million

- Energy Star Appliances (e.g. Refrigerator, Freezer, Dishwasher, Washing Machine)
- 15% rebate
- April 22 – 25 (Earth Day)
- Working with NC retailers to advertise the rebate and offer point of purchase rebate.

5. Energy Assurance - \$1 million

- Funding to bolster NC's capability to deal with energy supply disruptions
- Build capability around cyber-security for Smart Grid
- Works in conjunction with similar grant to NC Utilities Commission.

Oversight and Monitoring

- OERI review of plans, RFP's and awards
- OERI capacity assessment of the Community Action Agencies
- DOE review and approval of all plans
- DOE site visits
 - Office of Weatherization & Intergovernmental Programs
 - SEP program office
 - EECBG Program Office
- DOE Inspector General's Audit of Weatherization
- NC State Auditor

Staffing

- Current Staff – 21
- Open Permanent Positions – 6
- ARRA Time-Limited Positions - 30